were new standards of what was desirable in food (*Essluxus*) which included many exotic products, and also demands for sumptuous linen, china, and silver. The same kind of higher standards began to prevail in regard to dwellings, clothing, etc. Out of these increased demands grew various industries as well as largely augmented trade. Certain of these industries Sombart calls purely "industries due to luxury." Among them the manufacture of silks, laces, porcelain. "Mixed industries" include the products of wool, linen, and leather, and the building trades.

It is no doubt true that increasing luxury had its effect on the development of these industries. On the other hand, the author does not in any wise make it plain that it was the only cause, or indeed, always a cause. His exposition remains extremely unconvincing because it is such a partial, fragmentary explanation of the causes of this growing luxury, though the phenomenon itself is clearly traced. Taken by itself the study is an original piece of work founded on a great deal of investigation into source material, but as an explanation of such complex phenomena as luxury and capitalistic industry it seems hardly adequate.

Speculation on the New York Stock Exchange. By ALGERNON ASHBURNER OSBORNE. "Columbia University Studies," Vol. LVI, No. I. New York: Longmans, Green & Co., 1913. 8vo, pp. 172. $1.00.

The student who is prone to adopt for his own the a priori conclusions of many textbook writers in the field of economics would do well to read this monograph. Mr. Osborne has made a careful analysis of the operations of the New York Stock Exchange for the period of thirty-one months preceding the panic of 1907—an epoch that in the magnitude of its transactions has never been approached in a similar length of time before or since. The author attacks his problem with a knowledge of the danger of preconceived notions and he makes every effort to avoid following the paths trodden by preceding "investigators" of the Stock Exchange. He concludes that the New York Stock Exchange does not automatically perform and in practice has quite failed to perform the two economic functions that are commonly ascribed to it, namely, (1) the directing of the flow of investment, and (2) the discounting of future events by the course of prices. Although perhaps disconcerting to some staid economists, this conclusion is at least worthy of serious attention and impartial consideration. The author points out that the stock exchange can exert little influence either for good or for ill on the course of trading, and that it certainly does not guide the investment demand, since the flat rate of commission paid to brokers affords little profit to them on such orders, and hence gives no incentive for the encouragement of investment buyers by the operators themselves. There is no force on the stock exchange itself or in the self-interest of the brokers that can restrain the tendencies toward over-trading in securities.